



THE COMPTROLLER'S CORNER

Internal Controls—Key to Our Business

Why are internal controls so important? They are critical because they represent our first line of defense against fraud and mismanagement. They are, therefore, fundamental in carrying out one of the core competencies of our Air Force financial management community—ensuring that financial laws and regulations are obeyed.

Failure to follow internal controls can embarrass the Air Force. For example, in one dramatic case that occurred several years ago, an accounting technician sent more than \$2 million in illegal payments to his own bank account. That individual was able to create false invoices, prepare and certify vouchers for payment, generate payments to his own account, and then adjust the accounting records and destroy the fake vouchers. This case represents a major failure of our internal controls.

You say “That could never happen at my location!” But are you sure? Read the article about internal controls in this magazine (page 7) and then conduct a self-assessment of your own procedures.

If changes are needed, make them now. We must all work to minimize the opportunity for fraud and mismanagement.

ROBERT F. HALE
Assistant Secretary of the Air Force
(Financial Management and Comptroller)